
Local Government & Housing Committee

HB 2166

Brief Description: Imposing an additional document recording surcharge to fund certain affordable housing and homeless purposes.

Sponsors: Representatives Darneille, Pedersen, Kenney, Kirby and Hasegawa.

Brief Summary of Bill

- Requires county auditors to charge an additional document recording fee of up to \$12, to be deposited in the Affordable Housing for All Account.
- Allows the Department of Community, Trade and Economic Development to use such funds to administer, implement and fund programs and activities to reduce homelessness.

Hearing Date: 2/18/09

Staff: Sara del Moral (786-7291) and Thamas Osborn (786-7129)

Background:

County Auditor - Housing Surcharges.

When filing and recording deeds and other documents, county auditors must assess three surcharges to support housing programs. These are the Affordable Housing for All (AHFA) surcharge and two Homeless Housing and Assistance (HHA) surcharges.

Affordable Housing for All Surcharge.

County auditors assess the AHFA surcharge, a \$10 fee allocated for affordable housing projects and programs.

A county may keep up to 5 percent of this surcharge to cover administrative costs. Of the remaining funds, 40 percent is transmitted to the Affordable Housing for All Account to be used

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for housing and shelter for extremely low-income households. The county retains the remainder of the revenue for low-income housing programs and projects.

Homeless Housing and Assistance Surcharges.

In addition to the AHFA Surcharge, county auditors must assess two HHA surcharges, of \$10 and \$8 respectively, for each document recorded. With the exception of administrative costs, these funds are divided between local homeless housing plans and the State Treasurer, which allocates the funds to provide housing and shelter to homeless people.

Homeless Housing and Assistance Program.

Established in 2005, the goal of the Homeless Housing and Assistance Program (Program) is to reduce homelessness by 50 percent statewide and in each county by 2015. The Program is funded by the AHFA surcharge and the HHA surcharges through the Affordable Housing for All Account.

The Homeless Housing and Assistance Act requires the DCTED to create a state Homeless Housing and Assistance Plan and also requires each county to create local Homeless Housing and Assistance Plans. Thirty-seven counties participate in this Program.

Independent Youth Housing Program.

The DCTED's Independent Youth Housing Program provides housing stipends and case management services to youth, ages 18 to 23, who have exited the state dependency system.

Emergency Shelter Programs.

The DCTED administers two emergency shelter programs: the Emergency Shelter Assistance Program and the Homeless Family Shelter Program. These two programs support a network of 146 community-based emergency shelters and programs statewide to prevent homelessness and re-house homeless people in safe, secure, and affordable housing.

Housing Assistance Program.

Through the Housing Assistance Program, the DCTED uses money from the Housing Trust Fund and other sources to help finance loans and grants to provide housing to people with special housing needs and incomes below 50 percent of area median income (AMI).

Affordable Housing Program.

The Affordable Housing Program under the Housing Trust Fund develops and coordinates resources to meet the housing needs of households making less than 80 percent of the AMI.

Homeless Families Services Fund.

The DCTED administers the Homeless Families Services Fund (Fund). This Fund may be used to provide state matching funds for housing-based supportive services for homeless families. A

number of activities are eligible for funding. Examples include case management, counseling, and domestic violence services.

Housing Authorities.

A housing authority may be established by any county or city that determines a need for such an authority. Housing authorities may provide a variety of programs and services to help residents meet housing needs. Services provided include public housing, housing vouchers, elderly housing, and low-income rural housing.

Summary of Bill:

County auditors must assess an additional surcharge of \$12 per document recorded. Revenues from the surcharge are remitted to the State Treasurer for deposit into the Affordable Housing for All Account.

The DCTED may expend the funds to:

- Administer and implement the:
 - Independent Youth Housing Program;
 - emergency shelter programs;
 - Housing Assistance Program;
 - Affordable Housing Program; and
 - Homeless Housing and Assistance Program;

- Provide affordable housing and shelter for low-income and homeless persons including, but not limited to:
 - grants to operate, repair, and staff shelters;
 - grants to operate transitional housing;
 - partial payments for rental assistance;
 - consolidated emergency assistance;
 - overnight youth shelters;
 - independent youth housing and emergency shelter assistance;
 - community housing for persons with mental illness; and
 - mobile home relocation;

- fund the Homeless Family Services Fund; and
- provide grants to housing authorities.

Exemptions.

The county may not impose the surcharge upon assignments or substitutions of previously recorded deeds of trust.

Appropriation: None.

Fiscal Note: Requested February 12, 2009.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.